

CASE STUDY

New Program Launch by Tier I Automotive Supplier: Experience & Leadership for Operational Readiness

RESULTS

- ✓ Implemented new constraint management and data analysis system to drive continuous improvement process.
- ✓ Developed Tier I's engineering team and budget; implemented best practice project management processes.
- ✓ Improved JPH from 3.7 to 7.5 toward a capability of 10 JPH over a five-month period reaching 80% of capacity.
- ✓ Improved constraint equipment cycle time from a weekly high of 428 seconds to on average target rate of 300 seconds.

ASSIGNMENT

Deploy highly-skilled, highly-experienced supplemental labor/management resources for a major Tier I North America automotive supplier of propulsion transmissions, during critical and troubled new program launch.

OUR APPROACH

Implemented a strategic three-phase improvement process:

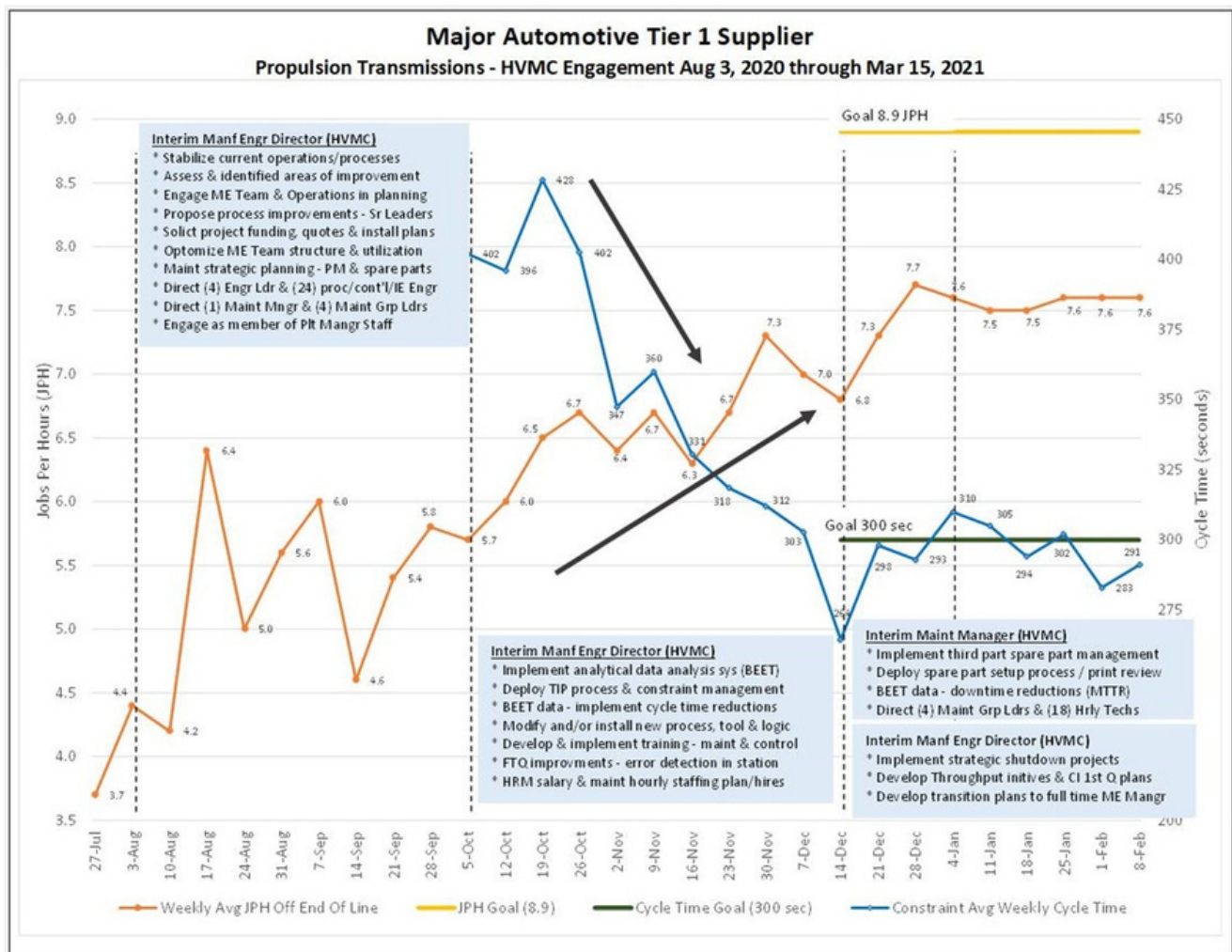
- > PHASE 1: Managed the disorder. Stabilized current operations. Defined and outlined Plan of Attack.
- > PHASE 2: Modified and installed new processes/systems. Developed the engineering team. Set-up data throughput improvement system.
- > PHASE 3: Developed new calendar year engineering budget, headcount and project plans. Standardized and documented new processes. Created leadership transition plan for new Engineering Director.

CHALLENGES/TASKS

- > Lack of experienced leadership and resources at Tier I Supplier facility to manage complex new program launch.
- > Customer (Automotive OEM), recognizing overwhelming operational issues, deployed 30+ supplemental technical resources to focus on operations due to urgency and priority for a new vehicle launch.
- > Multiple issues – related to equipment reliability and process sustainability – impacted throughput and did not meet stated build capacity.
- > Jobs Per Hour (JPH) were significantly below ramp up targets, creating shortfalls to weekly build schedule shipments and requiring costly Non-Scheduled Overtime (NOT).
- > Lack of data collection and analysis systems to drive throughput improvement process.

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KEY TAKEAWAY

"Compliance to industry highly regarded standards and best practices are key to a successful manufacturing operation. Implementing known best practices and processes shortens the learning curve, allows for collaboration and learning from others that ultimately leads to profitable companies."